

Deval L. Patrick Governor

Timothy P. Murray Lieutenant Governor

Ian A. Bowles
Secretary, Executive Office of Energy
and Environmental Affairs

Philip Giudice Commissioner

COMMONWEALTH OF MASSACHUSETTS EXECUTIVE OFFICE OF ENERGY AND ENVIRONMENTAL AFFAIRS

DEPARTMENT OF ENERGY RESOURCES

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Dear Colleague,

As part of our collective efforts to search for innovative and cost-effective solutions that reduce energy use in our built environment, help our buildings be more cost effective and reduce associated green house gas emissions, the Massachusetts Department of Energy Resources (DOER) is pleased to share with you "An MPG Rating for Commercial Buildings: Establishing a Building Energy Asset Labeling Program in Massachusetts." This document lays out a series of concepts and preliminary recommendations associated with the development of a commercial building energy asset rating and labeling program, designed to provide clear and actionable energy information about a building's potential energy performance, ultimately leading to greater uptake of efficiency investments.

Both Governor Deval Patrick's Zero Net Energy Buildings Task Force and the Northeast Energy Efficiency Partnership (NEEP) produced reports outlining the critical nature of building energy information as one of several key strategies in reducing energy use in buildings. The task of creating successful building energy labels is not simple and despite ongoing efforts on this topic around the world, more work is needed. DOER, along with its team of public and private partners, is proud to have been selected by the National Governors Association Center for Best Practices (NGA Center) to receive technical assistance to help advance the development and implementation of a commercial building energy labeling program for existing buildings in Massachusetts. Following stakeholder input on this white paper, the program would begin as a multi-year pilot focusing on the office, multi-family rental, and public building sectors in the greater Boston area as well as several other municipalities across Massachusetts. Participation would be on a voluntary basis.

We see value in rating a building on the basis of both its asset attributes as well as operational performance. Asset ratings will allow building owners, managers, tenants and the financial community to directly compare the energy performance between similar buildings irrespective of tenant behavior, helping to create more market value and demand for energy efficient buildings. We believe that asset ratings will complement operational ratings by providing building-to-building comparisons and a full picture of a building's energy performance, ultimately enabling building stakeholders to prioritize and effectively target their efficiency investments.

For the next 60 days, DOER will solicit feedback on this report through written comment, one public hearing, and one webinar. We encourage you to review the document and provide us with your comments. To get information about this process, please visit Energy Labeling for Commercial Buildings.

We look forward to reviewing comments and subsequently finalizing our recommendations and implementing an asset labeling pilot program here in Massachusetts, and believe that many of you will be able to provide us with critical feedback as we look to move forward in the coming months. In addition to the attached PDF copy, you may also download the documents at the website listed above.

In the meantime, if you have any questions about this effort, please feel free to contact me or any of the following DOER staff members: Yaara Grinberg (<u>yaara.grinberg@state.ma.us</u>), Ian Finlayson (<u>ian.finlayson@state.ma.us</u>), or Eric Friedman (<u>eric.friedman@state.ma.us</u>).

As we all continue our work toward a cleaner energy future, I hope you will find this document useful and that you will share with me and my staff any comments you may have.

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Sincerely,

Philip Giudice, Commissioner

The Massachusetts Department of Energy Resources